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E.O. 12958: DECL: 08/08/2032
TAGS: [PARM](#) [PREL](#) [ETTC](#) [MTCRE](#) [KSCA](#) [GM](#) [HR](#) [IR](#)
SUBJECT: (S) GERMANY INVESTIGATING EFFORTS BY A GERMAN FIRM
TO PROVIDE TEST CHAMBER TO IRAN'S MISSILE PROGRAM

REF: A. STATE 108420

[1](#)B. BERLIN 1137
[1](#)C. STATE 75839
[1](#)D. 06 BERLIN 1550
[1](#)E. 06 BERLIN 1229
[1](#)F. 06 STATE 70328
[1](#)G. 06 BERLIN 1123
[1](#)H. 06 STATE 62278
[1](#)I. 06 BERLIN 674
[1](#)J. 06 BERLIN 36325
[1](#)K. 05 BERLIN 3954
[1](#)L. 05 STATE 211408
[1](#)M. 05 BERLIN 3726
[1](#)N. 05 STATE 201650

Classified By: Global Affairs Counselor Donald R. Shemanski, for reasons 1.4 (b) and (d)

[1](#)1. (S) Global Affairs officers delivered ref A demarche to German MFA Export Control Division Desk Officer Volker Herzog August 7. Herzog said the German firm ICS Schneider Messtechnik is already under German government scrutiny for its previous dealings with Iranian entities involved in procurement on behalf of Shahid Bakeri Industrial Group (SBIG) (see refs D-N). The German Federal Office of Economics and Export Controls (BAFA) visited ICS in early 2006 to "sensitize" the firm on the need to apply for a license to export dual-use commodities to Iran. The firm complied by applying for a license to export an environmental test chamber to Iran's Saba Machinery Supply Company (see ref D). BAFA denied the license. Because BAFA already cautioned ICS on exports to Iran, it probably would not visit the firm a second time, Herzog said. Usually German firms are conscientious about applying for licenses once approached by BAFA because they wish to keep in good standing with the German Government, Herzog said. If ICS is now trying to circumvent German export controls by shipping the test chamber to a firm in a country for which no license is required while knowing that the equipment will be shipped to Iran's Rakin, then ICS would be violating German law, according to Herzog.

[1](#)2. (S) Herzog said he would pass the latest information to the German federal interagency export control group for investigation. Because of the potential criminal nature of this latest transaction, Herzog speculated that the Federal Customs Investigation Office (Zollkriminalamt, ZKA) would take the lead in the investigation while still coordinating with BAFA and other German Government agencies. Herzog said the German Government will apprise the USG of the results of its investigation.

[1](#)3. (U) Post will report additional German response septel.
TIMKEN JR